

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT  
BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al*,  
Debtors.<sup>1</sup>

PROMESA Title III

No. 17 BK 3283-LTS

(Jointly Administered)

AMBAC ASSURANCE CORPORATION

Movant,

v.

THE FINANCIAL OVERSIGHT AND MANAGEMENT  
BOARD FOR PUERTO RICO,

as representative of,

THE COMMONWEALTH OF PUERTO RICO,  
Respondent.

Case No. 17-BK-4780-LTS

**Re: ECF Nos. 7176, 7263**

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<sup>1</sup> The Debtors in these Title III cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's Federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 04780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations) (collectively, the "Title III Cases").

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO as  
representative of the COMMONWEALTH OF  
PUERTO RICO,

Cross-Movants,

v.

AMBAC ASSURANCE CORPORATION,

Cross-Respondents.

**JOINDER OF PUERTO RICO FISCAL AGENCY AND FINANCIAL ADVISORY  
AUTHORITY TO THE URGENT MOTION OF THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR ORDER SETTING BRIEFING SCHEDULE IN  
CONNECTION WITH ITS MOTION TO DISMISS FOR LACK OF STANDING  
AMBAC ASSURANCE CORPORATION'S MOTION CONCERNING APPLICATION  
OF THE AUTOMATIC STAY TO THE REVENUES SECURING PRIFA RUM TAX  
BONDS [ECF NO. 7263] AND RESERVATION OF RIGHTS**

To the Honorable United States District Judge Laura Taylor Swain:

The Puerto Rico Fiscal Agency and Financial Advisory Authority ("AAFAF"), on its own behalf and as an entity authorized to act on behalf of all of Puerto Rico's governmental entities (collectively, the "Government"), including the Debtors as well as non-debtor the Puerto Rico Infrastructure Financing Authority ("PRIFA"), by the Enabling Act of the Fiscal Agency and Financial Advisory Authority, Act 2-2017 (the "Enabling Act"), respectfully submits this Joinder (the "Joinder") to the Financial Oversight and Management Board's ("FOMB") *Urgent Motion for Order Setting Briefing Schedule in Connection with its Motion to Dismiss for Lack of Standing AMBAC Assurance Corporation's Motion Concerning Application of the Automatic Stay to the Revenues Securing PRIFA Rum Tax Bonds* (the "Urgent Motion") [ECF No. 7263]. AAFAF

hereby joins the arguments and relief requested in the Urgent Motion, for the reasons set forth herein:

### **BACKGROUND**

1. On May 30, 2019, Ambac Assurance Corporation (“Ambac”) filed a *Motion and Memorandum of Law in Support of its Motion Concerning Application of the Automatic Stay to the Revenues Securing PRIFA Rum Tax Bonds* (the “Stay Motion”). [ECF No. 7176] A cursory review of the Stay Motion reveals that its outcome will directly affect AAFAF, both in connection with its responsibilities as to the Debtors and PRIFA.

2. On June 6, 2019, the FOMB filed a *Motion to Dismiss* the Stay Motion (the “Motion to Dismiss”). [ECF No. 7262]

3. On June 6, 2019, the FOMB also filed the Urgent Motion in connection with the Motion to Dismiss, in which it requested, among other things, the entry of an order setting a briefing schedule to determine, as a gating issue, whether Ambac lacks standing to prosecute the Stay Motion and scheduling the Motion to Dismiss for hearing at the June 12, 2019 Omnibus Hearing or as soon thereafter as the Court deems practicable. [ECF No. 7263]

4. As noted by the FOMB in the Urgent Motion, “[t]he briefing of the Stay Motion, discovery, and preparation for oral argument on July 24, 2019 will consume enormous amounts of time of attorneys and clients and result in enormous expenses for the Oversight Board and AAFAF.” See, Urgent Motion, ¶ 5.

5. AAFAF also believes that the burdens identified by the FOMB above would be alleviated by a determination that Ambac lacks standing to prosecute the Stay Motion and, accordingly, AAFAF hereby joins in the FOMB’s Urgent Motion.

6. For the avoidance of doubt, all rights of AAFAF to join, in whole or in part, to the FOMB's Motion to Dismiss, in a timely manner that will not interfere with the expeditious resolution of that matter, are fully reserved.

*[Remainder of page intentionally left blank]*

Dated: June 6, 2019  
San Juan, Puerto Rico

Respectfully submitted,

/s/ Peter Friedman

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